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# S. Asian states weigh prospects as US, India mull trade deal

## Pakistan closely watching implications of the impending agreement

By Anwar Iqbal

WASHINGTON: Pakistan and other South Asian nations are closely watching the impending US-India trade deal, now in its final stages, to assess how it may shape Washington's broader trade engagement with the region, diplomatic sources told *Dawn*.

US and Indian officials have signalled that the agreement is expected to be concluded by the end of November, clearing the way for their bilateral trade to reach an intended $500 billion by 2030.

"Pakistan and other South Asian nations are hoping the agreement will also encourage the United States to expand trade with the rest of the region," one diplomatic source said. "They are looking for even-handed treatment for all."

According to sources, these regional considerations are among the factors delaying the announcement of a joint US-Pakistan statement on bilateral trade. Diplomatic sources said Pakistan's talks with the office of the US Trade Representative are ongoing, as both sides work to finalise various points. Pakistani officials are keen to understand how they could benefit from provisions like reduce tariffs on goods produced with raw materials sourced from the United States, such as fabrics made from US cotton.

"But now, Pakistanis are no longer pushing for an immediate announcement. Instead, they are waiting for the US-India deal to be finalised," one source said.

When Finance Minister Muhammad Aurangzeb last visited Washington in October to attend the annual meetings of the IMF and World Bank, Pakistani officials told reporters that the statement would be announced "in weeks, if not days".

The US-Pakistan trade deal, agreed in principle in July 2025, came into effect on Aug 7. It features reciprocal tariff reductions, particularly benefiting Pakistani exports such as textiles, leather goods, surgical instruments, and agricultural products, while Pakistan rolled back its digital services tax.

Earlier, on Aug 1, Pakistan announced that the US had imposed a 19 per cent tariff on its exports — a reduction from the 29pc rate announced by President Donald Trump in April.

The revised rate was described by Islamabad as a "balanced and forward-looking step" aimed at enhancing Pakistan's competitiveness in the American market.

In contrast, India initially faced a 26pc "reciprocal" tariff on April 9, which was later raised to 50pc by an executive order on Aug 6, effective since Aug 27, citing India's purchases of Russian oil.

The Peterson Institute for International Economics (PIIE) in Washington cautions that the 2025 reciprocal tariffs may reduce both US and global economic growth while boosting inflation in affected economies. The tariffs disproportionately penalise countries relying on global value chains, as duties are applied to gross export value, including imported inputs.

Another Washington think-tank, CSIS, notes that the "reciprocal" label is misleading: the rates are calculated via a formula based on the US trade deficit with each country, resulting in rates as high as 50pc, far exceeding simple tit-for-tat adjustments.

# Pakistan demands urgent grant-based climate financing

## Climate disasters not only destroying infrastructure, but also robbing a generation of its right to safety, COP30 told

BELEM: Secretary for Climate Change Asiha Humera Moriani addresses an event titled, 'Operationalising Loss and Damage: Financing Resilience and Recovery in Vulnerable Countries', at the Pakistan Pavilion during COP30.—APP

ISLAMABAD: Pakistan has called for rapid, grant-based and predictable financing for climate-vulnerable developing countries, warning that recurring climate disasters are worsening debt distress and undermining development gains in nations that have contributed least to global emissions.

The appeal was made at a high-level side event titled 'Operationalising Loss and Damage: Financing Resilience and Recovery in Vulnerable Countries', organised jointly by the Ministry of Climate Change and Environmental Coordination and Unicef at the Pakistan pavilion during the UN climate summit (COP30) in Belm, Brazil.

Secretary for Climate Change and Environmental Coordination Aisha Humera Moriani, in her address said that Pakistan was investing heavily in strengthening national resilience despite contributing less than one per cent to global greenhouse gas emissions.

She recalled the catastrophic floods of 2022 and 2025 that displaced millions of people, damaged infrastructure and caused multi-billion-dollar economic losses.

The scale and frequency of such disasters in developing countries underscore the disproportionate climate burden placed on nations that played almost no role in heating the planet, she said.

Representatives of the newly established Fund for Responding to Loss and Damage (FRLD), government officials, development partners and experts attended the event to discuss ways of operationalising the global loss and damage mechanism.

Panelists noted that repeated climate shocks had pushed several vulnerable economies into a debt emergency, forcing them to borrow for reconstruction in the absence of adequate grant-based support.

They stressed that new, additional and concessional financing was essential if loss and damage assistance was to be transformative rather than short-lived.

Speakers also highlighted that children were bearing the greatest burden of climate stress, with Pakistan having nearly half its population under 18.

Recurring disasters, they said, were severely affecting nutrition, health, education and mental wellbeing. Climate disasters are not only destroying infrastructure, they are also robbing a generation of its right to safety and opportunity, Ms Moriani added.

The discussion further underscored the need to prioritise the Barbados Implementation Modalities (BIM), which call for simplified application procedures, faster disbursement and flexible financial windows to support countries with constrained fiscal space.

The participants also emphasised the importance of financing mechanisms that can address slow-onset events such as glacial melt, desertification and sea level rise.

Ministry of Climate Change spokesperson Muhammad Saleem Shaikh said that a significant part of the dialogue focused on support for vulnerable groups, particularly children and young people.

He pointed out that non-economic losses including trauma, cultural disruption, displacement and community breakdown remained insufficiently recognised in global policy frameworks.

He said that Pakistan had announced its readiness to submit two proposals under the FRLDs initial funding cycle, aimed at rebuilding critical social infrastructure and strengthening resilience in key sectors, including agriculture, community systems and water resources.

While domestic resources were being mobilised, he said, the scale of climate-related loss far exceeded national capacity.

Calling loss and damage financing a matter of national survival, Ms Moriani reiterated Pakistan's position that climate justice and the principles of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC) must guide international action. Climate justice demands immediate access. Our people cannot wait, Ms Moriani said, urging developed countries and multilateral institutions to translate commitments into tangible financial delivery.

She reaffirmed Pakistan's commitment to working with the UN, international partners and global climate finance bodies to shape an equitable framework for climate recovery.

The goal, she said, was to ensure that vulnerable countries receive the resources needed to recover, rebuild and adapt to accelerating climate impacts. —APP

# Hamas delegation in Egypt as Israel claims commander's killing

CAIRO: A senior Hamas delegation met Egypt's intelligence chief in Cairo on Sunday and informed him of ceasefire violations by Tel Aviv, as the Israeli military claimed it had killed a local Hamas commander in Gaza.

In a statement, Hamas said it reaffirmed its commitment to implementing the first phase of the ceasefire agreement in its meeting with Egypt's intelligence chief, but accused Israel of continued violations that it said threatened to undermine the deal.

The delegation, which included exiled Hamas Gaza chief Khalil Al-Hayya, called for a "clear and defined mechanism" under the supervision of mediators to document and halt any breaches of the deal.

The Israeli military claimed on Sunday it had killed a local Hamas commander Alaa Al-Hadidi in Gaza, the head of supply in Hamas' production headquarters. It said he was killed in one of the attacks across the Gaza Strip.

Hamas did not release a statement on the commander's reported killing.

**FO slams attacks**

Meanwhile, Pakistan's Foreign Office denounced Israel's continued strikes on Gaza, calling Saturday's attack that killed at least 21 people a grave breach of international law and a serious blow to ongoing peace efforts.

"Pakistan condemns, in the strongest possible terms, the attacks by Israeli occupying forces across Gaza." It added that the strikes had resulted in the deaths of several Palestinian civilians and left many others wounded.

"Such actions constitute a blatant violation of international law, relevant UN resolutions, and the recently concluded peace agreement at Sharm el-Sheikh," the FO said.

The statement added that these attacks also undermine international efforts aimed at achieving "lasting peace and stability" in the region.— Agencies

# US Exim Bank pledges $1.25bn loan for Reko Diq

WASHINGTON: US Export-Import (Exim) Bank's chief said the organisation would provide a $1.25 billion loan to Barrick Mining's Reko Diq mine in Pakistan, as part of a larger plan to invest $100bn to bolster US and allied supply chains for critical minerals, nuclear energy, and natural gas.

The first tranche of deals will include projects in Pakistan, Egypt and Europe, the organisation's chair John Jovanovic told the *Financial Times* in an interview on Sunday. He added that the West was over-reliant on supplies that "are no longer fair".

"We can't do anything else that we're trying to do without these underlying critical raw material supply chains being secure, stable and functioning," Jovanovic was quoted saying.

Jovanovic told *FT* that the bank has $100bn left to deploy of the $135bn authorised by Congress. He said the bank's early deals would also include a credit insurance guarantee for $4bn of natural gas being delivered to Egypt by New York-based commodities group Hartree Partners.

The Exim Bank did not respond to a request for comment.—Reuters

# Trump blasts Ukraine, Europe as peace talks begin

## • Says Kyiv expressed 'zero gratitude' for US efforts • Top American and Ukrainian representatives meet in Geneva • Draft of new plan reflects Kyiv's 'key priorities'

WASHINGTON/KYIV/GENEVA: US President Donald Trump on Sunday accused Ukraine again of lacking "gratitude" for Washington's support against Russia's invasion, as top US and Ukrainian representatives met in Geneva for talks on a proposal to halt the war.

"Ukraine 'leadership' has expressed zero gratitude for our efforts," Trump wrote on his Truth Social platform, while also re-airing frustration at the war's "human catastrophe" and attacking his predecessor Joe Biden, but offering no direct condemnation of Moscow.

Trump's outburst at Ukraine and the US allies reflected the Republican's annoyance over the war, which began when Russia launched its full-scale invasion of Ukraine in 2022, seizing and destroying swaths of territory.

In social media post, he criticised European countries that he said continued to buy oil from Russia and called Biden "crooked Joe" for giving Ukraine weapons "free, free, free". The only mention of Putin in the lengthy post was to claim that the Russian president thought "Now is my chance!" to invade Ukraine only because "Sleepy Joe" Biden was in office.

**Latest draft**

The latest version of the US draft plan for ending the war in Ukraine now includes most of Kyiv's "key priorities", its negotiator said on Sunday, after holding a few rounds of talks in Geneva.

The Ukrainian delegation assigned with a difficult task to ensure their national interests were included in the 28-point US plan, which initially heeded to some of Moscow's hardline demands.

US SECRETARY of State Marco Rubio and Ukraine's Presidential Chief of Staff Andriy Yermak leave after a press conference in Geneva.—AFP

"The current version of the document, although still in the final stages of approval, already reflects most of Ukraine's key priorities," negotiator Rustem Umerov, who is also the secretary of Ukraine's security council, said.

"We greatly appreciate the constructive cooperation with the United States and their attentive consideration of our comments, which allows us to move forward in this joint process," he added.

The Ukrainian president earlier also indicated some Ukrainian talking points may be included. "Currently, there is an understanding that the American proposals may include a number of elements based on Ukrainian perspectives and critical for Ukrainian national interests," he said on social media.

**Geneva talks**

Ukrainian, US and European officials gathered in Geneva on Sunday to discuss the draft plan presented by Washington to end the war in Ukraine, after Kyiv and its allies voiced alarm over what they saw as major concessions to the aggressor Russia.

On Friday, President Trump said his Ukrainian counterpart had until Thursday to approve the plan, which calls on Ukraine to cede territory, accept limits on its military and renounce ambitions to join Nato.

For many Ukrainians, including soldiers fighting on the front lines, such terms would amount to capitulation after nearly four years of fighting in Europe's deadliest conflict since World War II. On Saturday, Trump said the current proposal for ending the war is not his final offer. Since the plan was announced, there has been considerable confusion about who was involved in drawing it up. European allies said they had not been consulted.

As the officials gathered in Geneva, German Chancellor Friedrich Merz said the goal was to craft a plan acceptable to Ukraine which could be used in a negotiation with Russia. That would likely take time, he said.

"Right now, I'm not yet convinced we're going to get the solution President Trump wants in the next few days," Merz said on the sidelines of a G20 meeting in Johannesburg.

Before heading to Geneva, US Secretary of State Marco Rubio insisted in a post on X that Washington had authored the plan. He posted the remark after Republican Senator Mike Rounds said Rubio had called him and other senators and explained it was a proposal the US had received and passed on to Ukraine.—Agencies

# Tejas crash dampens export hopes for homegrown Indian jet

## Indian Air Force worried about its shrinking fighter squadrons, with early variants of MiG-29, Anglo-French Jaguar and French Mirage 2000 set to retire in coming years

DUBAI: The crash of India's Tejas fighter in front of global arms buyers at the Dubai Airshow is the latest blow to a key national trophy, leaving the jet reliant on Indian military orders to sustain its role as a showcase of home-built defence technology.

The cause of Nov 21st crash was not immediately known but it capped a week of jockeying for influence at the event, attended by Pakistan as well, nearly six months after the neighbouring foes faced off in the world's largest air battle in decades.

Such a public loss will inevitably overshadow India's efforts to establish the jet abroad after a painstaking development over four decades, experts said, as India paid tribute to Wing Commander Namansh Syal who died in the crash.

**Crash at showcase event**

"The imagery is brutal," said Douglas A. Birkey, executive director of the US-based Mitchell Institute for Aerospace Studies, referring to the history of crashes at air shows where nations and industries seek to tout major national achievements.

Dubai is the world's third-largest air show after Paris and Britain's Farnborough, and accidents at such events have become increasingly rare.

"A crash sends quite the opposite signal: a dramatic failure," he said, adding, however, that while the Tejas would suffer negative publicity, it would most likely regain momentum.

In 1999, a Russian Sukhoi Su-30 crashed after touching the ground during a manoeuvre at the Paris Airshow, and a Soviet MiG-29 crashed at the same event a decade earlier. All crew ejected safely and India went on to place orders for both jets.

Fighter sales "are driven by high order political realities, which supersede a one-off incident", said Birkey.

The Tejas programme began in the 1980s as India sought to replace vintage Soviet-origin MiG-21s, the last of which retired as recently as September after numerous extensions due to slow Tejas deliveries by Hindustan Aeronautics Ltd (HAL).

The state-owned company has 180 of the advanced Mk-1A variant on order domestically but is yet to begin deliveries due to engine supply chain issues at GE Aerospace.

A former HAL executive who left the company recently said the crash in Dubai "rules out exports for now".

THE HAL Tejas was supposed to serve as a replacement for IAF's aging fleet of Russian-era jets, but it is facing production issues.—AFP

Target markets included Asia, Africa, and Latin America, and HAL also opened an office in Malaysia in 2023. "The focus for the coming years would be on boosting production of the fighter for domestic use," the former executive said, requesting anonymity.

**Shrinking squadrons**

But the Indian Air Force is worried about its shrinking fighter squadrons, which have fallen to 29 from an approved strength of 42, with early variants of the MiG-29, Anglo-French Jaguar and French Mirage 2000 set to retire in coming years.

"The Tejas was supposed to be their replacement," an IAF officer said. "But it is facing production issues."

As an alternative, India is considering off-the-shelf purchases to fill immediate gaps, with options including more French Rafales, two Indian defence officials said, adding that India still plans to add to about 40 Tejas already in service.

India is also weighing competing offers from the US and Russia for fifth-generation F-35 and Su-57 fighters — two advanced models also rarely sharing a stage in Dubai this week.

India has for years been among the world's biggest arms importers, but has increasingly projected the Tejas as an example of self-reliance with Prime Minister Narendra Modi taking a sortie in the fighter in November 2023.

Like most fighter programmes, the Tejas has fought for attention at the intersection of technology and diplomacy.

**Regional rivalry plays out**

Both India and Pakistan were present in force at the show, where the Tejas performed multiple aerial displays in the presence of the rival Pakistani contingent.

Pakistan disclosed the signing of a provisional agreement with a "friendly country" to supply its JF-17 Thunder Block III fighter, co-developed with China.

On the ramp, a JF-17 was flanked by arms including PL-15E, the export variant of a family of Chinese missiles that US and Indian officials say brought down at least one French Rafale used by India during an aerial battle with Pakistan in May.

At an exhibition stand, manufacturer PAC distributed brochures touting the JF-17, one of two models deployed by Pakistan during the four-day conflict, as "battle-tested".

India is a lot more careful with the Tejas, which was not actively used in the four-day conflict in May, Indian officials have said, without giving any reasons.

Nor did it participate in the annual Republic Day aerial display in New Delhi on Jan 26 due to what officials said were safety reasons associated with single-engine aircraft.—Reuters

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